



## **H.R. 2397 – SBA Women's Business Programs Act of 2007**

### **Floor Situation**

H.R. 2397 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage. This legislation was introduced by Representative Mary Fallin (R-OK) on May 21, 2007, and was reported by the House Committee on Small Business on June 16, 2007.

H.R. 2397 is expected to be considered on the floor on June 18, 2007.

### **Summary**

H.R. 2397:

- Authorizes the Small Business Administrator to provide funds to private non-profit organizations for establishing Women's Business Centers (WBCs) which will provide assistance to small business owned and controlled by women. The business centers will provide:
  - Training and counseling in how to apply for and secure business credit and investment capital, and how to manage cash flow,
  - Small business management assistance, and;
  - Small business marketing assistance.
- The formula for allocating Federal Women's Business Center grants are divided into three tiers of projects:
  - Tier one: up to \$150,000 each for five-year projects. Federal funds will match non-Federal funds, 2:1 for the first two years, then 1:1 for each additional year, unless the Women's Center is located in a community where at least 50% of the population is below the median income, where in Federal funds may continue to match non-Federal funds 2:1.
  - Tier two: up to \$100,000 each for three-year projects. Federal funds will match non-Federal funds, 2:1 for the first two years, then 1:1 for each additional year,

unless the Women's Center is located in a community where at least 50% of the population is below the median income, wherein Federal funds may continue to match non-Federal funds 2:1.

- Tier three: up to \$100,000 each for three-year project. Tier three grants are renewable if the WBCs meet certain service and fundraising benchmarks established by the SBA.
- Authorizes the National Women's Business Council to conduct "at least one study per year" to evaluate "problems hindering the success of women entrepreneurs," and to issue a report of their findings to the President and Congress biannually.

### **Background**

Small Business Administration Women's Business Center Program: The SBA states that: the "women's business center (WBC) program is a national network of WBCs providing educational resources to help women start and grow successful small businesses. The Program's mission is to level the playing field for women entrepreneurs still facing unique obstacles in the business world." There are currently 99 WBC's throughout the U.S.

The National Women's Business Council: "is a bi-partisan federal advisory council created to serve as an independent source of advice and policy recommendations to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners. The Council's mission is to promote bold initiatives, policies, and programs designed to support women's business enterprises at all stages of development in the public and private sector marketplaces -- from start-up to success to significance" ([NWBC website](#)).

### **Cost**

At the time of publication The Congressional Budget Office (CBO) did not have a cost estimate available for H.R. 2397.

### **Staff Contact**

For questions or further information contact Matt Lakin at (202) 226-2302.